



# Missouri Department of Natural Resources

## MINUTES

### MISSOURI SOIL AND WATER DISTRICTS COMMISSION

#### DNR CONFERENCE CENTER

#### JEFFERSON CITY, MISSOURI

January 18, 2006

**COMMISSION MEMBERS PRESENT:** John Aylward, Kathryn Braden, Elizabeth Brown, Richard Fordyce, Leon Kreisler, and Baughn Merideth

**EX-OFFICIO MEMBERS:** FRED FERRELL, DEPT. OF AGRICULTURE: Dan Engemann; JOHN HOSKINS, DEPT. OF CONSERVATION: Brad McCord; DOYLE CHILDERS, DEPT OF NATURAL RESOURCES: Mike Wells

**ADVISORY MEMBERS PRESENT:** SOIL & WATER CONSERVATION PROGRAM: Sarah Fast; NRCS: Leslie Michael; MASWCD: Fred Feldmann

**STAFF MEMBERS PRESENT:** Davin Althoff, Gary Baclesse, Milt Barr, Jim Boschert, April Brandt, Chris Evans, Allan Clarke, Noland Farmer, Tricia Jackson, Gina Luebbering, Joyce Luebbering, Dean Martin, Theresa Mueller, Marcy Oerly, Jim Plassmeyer, Josh Poynor, Ron Redden, Kevin Scherr, Judy Stinson, Ken Struempf, Cody Tebbenkamp, Lindsay Tempinson, Chris Wieberg, Bill Wilson

**OTHERS PRESENT:** DISTRICTS: CAPE GIRARDEAU: Gerald Bryan, Stan Murray, Clinton Ruppel, OSAGE: Cindy DeOrnellis; RANDOLPH: Shelly Sumpster; STONE: Elmer Curbow, George Cutbirth, Jerry Dodd, Fern Langston, Steve White; ATTORNEY GENERAL'S OFFICE: Tim Duggan; DEPARTMENT OF CONSERVATION: Paul Calvert; DEPARTMENT OF NATURAL RESOURCES: Richard Moore, Ed Schneider  
**OTHERS:** MASWCD: Peggy Lemons; MISSOURI AMERICAN WATER: Debbie Farris, MISSOURI FARM BUREAU: Kelly Smith; MISSOURI NATURE CONSERVANCY: Steve Mahfood; UNIVERSITY OF MISSOURI: Steve Anderson, Bill Kurtz, Ranjith Udawatta; **INDIVIDUALS:** Connie Curbow, Kurt Ewing, Chuck Hemmel, Jack Langston, Jeff Lorberg, Floyd Williams

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### **A. CALL TO ORDER**

Chairman Elizabeth Brown called the meeting to order at the DNR Conference Center in Jefferson City, Missouri, in the Bennett Spring/Roaring River Room at 8:10 a.m.

### **B. MINUTES OF THE LAST MEETING**

Richard Fordyce made a motion to approve the minutes of the November 28, 2005, commission meeting as mailed. Kathryn Braden seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

### **MINUTES OF THE CLOSED SESSION**

Richard Fordyce made a motion to approve the minutes of the closed September 8, 2005, commission meeting as mailed. Leon Kreisler seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

John Aylward made a motion to approve the minutes of the closed October 25, 2005, commission meeting as mailed. Kathryn Braden seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

### **C. CLOSED SESSION**

Kathryn Braden made a motion to go into closed session pursuant to Section 610.021, RSMo 2000 (as amended), to discuss legal, confidential, or privileged matters under §610.021(1), RSMo; personnel actions under §610.021(3), RSMo; personnel records or applications under §610.021(13), RSMo; audit issues under §610.021(17), RSMo; or records which are otherwise protected from disclosure by law under §610.021(14). Baughn Merideth seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

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### **D. PLANNING**

#### **1. Formatting of Plan for the Future Document for Publication**

Dean Martin informed the commission that the Plan for the Future was on the web site. He stated at the present time program office was working with the University of Missouri, the director's office, and others to improve the format to make it more reader friendly and add more graphics.

#### **2. Natural Resources Conservation Service (NRCS) Fiscal Year (FY) 2005 Review**

Leslie Michael from NRCS provided summaries of some of the USDA programs for FY04 and some for FY05.

Ms. Michael stated that for FY04 and FY05 the Conservation Security Program covered the majority of the state with the exception of southwest portion, which would be addressed in the present year. She stated there were two watersheds that were going to be implemented in FY06, but at the present time there was no sign up period. There were 1,240 contracts that totaled \$14,580,738. The Farm and Ranch Land Protection Program is still growing in the state and there has not been a lot of activity. It is permanent conservation easements program that they are looking at in terms of urban areas trying to preserve farmland. Some of the areas looked at were Great Rivers Habitat Alliance, Missouri Farmland Preservation Trust, Ozark Greensways, and the Trust for Public Land. The Grassland Reserve Program is a very popular program in the state. They have several contracts throughout the state. She stated that there had been no word if there was going to be a sign up for the current year. This program is directed more toward pasture and hayland type fields that are used for grassland conservation and haying. The Wildlife Habitat Incentives Program is popular through the central part of the state and northern tiers of the state. This program is also growing quite rapidly in the southwestern part of the state. This program is a wildlife incentive program.

Next Ms. Michael presented a summary of the Environmental Quality Incentive Program (EQIP) funds for the last three years. She indicated that approximately \$50,000,000 throughout the state in fairly equitable portions. She stated they are looking at each county receiving a minimum of \$150,000. According to the sign up, the majority of the counties would not have a problem spending their funds. The number of applications for the past fiscal year totaled 2,976 the number funded was 1,999. They are required to put certain amount of money toward animal waste, grazing concerns, and other concerns such as soil erosion. She stated that 67 percent or 1,999 contracts were written for a total of more than

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\$18,800,000. The animal waste contracts totaled more than \$3,800,000. The total number of funded contracts was 110.

Sarah Fast stated this was to remind the commission of how much money and effort NRCS has in the state. She stated she understood that Roger Hansen was optimistic that he would be able to maintain EQIP at the \$18,500,000 level for the next couple years.

### **3. Budget Update - Fiscal Year (FY) 2006 and Budget Projection Updates Fiscal Years 2007 and 2008**

Milt Barr presented a summary on FY06 revenue and expenditures for the first six months of 2006, briefed the commission on the state budget process, the Governor's budget, and touched on FY07 and FY08.

The monthly deposits for the first six months of FY06 showed consistency in the pattern and four months had higher revenues than the FY05. The deposits for the first six months of FY06 totaled \$19,778,243 compared to \$19,037,186 for same time period for FY05. This was about a 3.8 percent increase for the same period. The planning rate for FY06 is 3.5 percent so at mid year we are close to it and hopefully the second half will continue the trend. The planning rate for FY07 will also be 3.5 percent, however it is reported in the Governor's budget that there may be smaller growth in the Sales and Use tax for FY07 primarily because of lower projected personal income for FY07.

Expenditures for FY06 spiked in August, November, and December because that was when larger payments to the districts were made in single sums due to a new encumbering process started in FY05, as well as some additional payments for the computer project work. The average for the six months of FY06 was 8.5 percent more than in FY05.

The Governor's FY06 signed budget for Soil and Water Conservation Program (SWCP) totaled \$38,687,928. This amount is for cost-share, SALT, loan interest share, research, district benefits, district grants, soil survey, and administration. Mr. Barr reported that FY06 revenues are steady, personal income is strong, and the gross domestic product is projected to rise to 3.8 percent, and employment up 1.5 percent. In light of this, the FY06 budget is on track for a successful year.

He reviewed the Missouri State budget process and performance based budgeting. This process began in the 70s. The executive branch added strategic planning and priority results in 1993 and 1995. In 2001, the Governor issued Executive Order

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01-19 to establish a Performance Improvement Concept. In 2003, Senate Bill 299 passed that required the General Assembly to use performance measures in budget deliberations. Under this bill newly funded programs were to be reviewed every six years to see if they met their performance objectives in order to continue. The budget process starts with the previous year's core budget as a baseline. Departments must justify and prioritize any increases to the Governor and must stay within the Governor's executive budget instructions. The executive budget is presented to the General Assembly for it to become a bill. Normally the budget bills start in the House. Both the House and the Senate then review the bill and then if agreed upon, it is sent back to the Governor for approval and signed into law.

The Governor's FY07 recommended budget for SWCP is \$39,078,606. The Governor's recommendation included the increase for the district assistance grant expansion of \$258,243. The Governor has also added a recommendation of a 4 percent pay increase for state employees. There were two other budget adjustments for reallocations of funds to the IT consolidation and a small utility adjustment to the statewide leasing budget.

The projected FY08 SWCP budget total is \$39,206,730. This shows an increase for district benefits of \$305,854 approved and projected from the commission plan. FY08 will be a pivot year since it will be the first year budget after the Soil Sales Tax vote. If the tax passes, the current budget projection for FY08 will continue, as well as long range planning for the commission's Plan for the Future tax revenue period. If it fails, then the commission can elect to pursue ramp down budget planning for program and district support starting in FY08 to the end of FY09 tax revenue and/or to obligated projects.

When asked about the FY07 revenue projections showing an increase why there was no more money for cost-share, Mr. Barr stated that the commission determines what amounts they want to increase or move to any of programs including the cost share program. Sarah Fast also stated it would be a commission decision if they wanted to put future expansion item money toward additional cost-share. In the past the commission had decided to put the majority of that money in SALT and district employees benefits. Mr. Barr stated that they currently have the estimated authority to use if there was a close need for additional appropriations for any one year in the authorized programs and cost share is one of the authorized programs.

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### **4. Commission Directed Analysis of District Employee Salaries and Possible Budget Expansion**

Jim Boschert presented a report on district employee salaries and the possible budget expansion.

At the November 28, 2005, commission and Missouri Association of Soil and Water Conservation Districts (MASWCD) joint meeting, Mr. Boschert reported that there was discussion on the need for additional district assistance funds for employee salaries. At that point, the commission directed program staff to look at the salaries and a possible expansion for the district assistance grants.

In 1997, the commission funded a research project that looked at the average salaries of district employees. Dr. Sandy Rikoon compared the salaries of district employees in Missouri to district employees in other states, as well as state and federal employees that had like positions. The report showed the average salary for a district clerk was \$17,910, a district manager was \$20,268, and a technician was \$19,541. This information was for full time employees. In 2000, Dr. Rikoon updated the salary comparison. In 2000, the average salary for a district clerk was \$19,557, a district manager was \$23,231, and a technician was \$20,553.

Mr. Boschert proceeded to cover the average project salaries for 2006. It is estimated that the average salary for a district clerk was \$23,752, which is an increase of 21 percent from 2000, a district manager, was \$27,615, which is an increase of 18 percent from 2000, and for a district technician was \$25,303, which is an increase of 23 percent from 2000.

The commission was reminded that the Governor had proposed a 4 percent increase for state employees. The reported total amount for all district employees' salaries for FY05 was \$6,961,602. If you multiply that by 4 percent, it would total \$278,464 increase for salaries. Mr. Boschert reported that the association has a resolution that did pass at the training conference regarding additional funds for district assistance. He also reported that there is a meeting planned for February 6, 2006, with Dr. Rikoon to talk to him about updating the salary figures for comparable positions to district employees.

Peggy Lemons stated that the MASWCD, due to the resolution, had started background work on the issue. What they would like to work on is the long-term issue. She reminded the commission that they had a committee a few years ago working to develop a long-term fix to the formula to address the needs of the districts. She stated that the districts have a minimum of \$44,000 for district assistance for two employees. One of the things the committee thought was

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important to do was develop some average job descriptions for the district technician, district manager, and district clerk. This information would be used in comparing other states and agencies. Ms. Lemons provided the commission with a copy of position descriptions for the above and went over them. She stated they would like to have a commissioner on the committee.

When asked if Ms. Lemons was representing MASWCD and the employees association, Ms. Lemons answered yes. Kathryn Braden proceeded to give some history on the employee salary issue. When asked about the long-term fix, Ms. Lemons answered that it was determined that the long-term fix needed to wait until the tax renewal. When asked what revenue sources were available in the other states that were used for comparison, Ms. Lemon answered they were funded in a variety of ways and she could get that for the commission. She stated that Missouri was the only state that had a sales tax that funds the program. Most of the others do a combination of general revenue or some might be county employees or state employees. When asked about the number of employees in the other states compared to Missouri for soil and water work, Ms. Lemons answered that Missouri has approximately 300, Ohio has approximately 400, and Minnesota has approximately 300. Sarah Fast stated they were trying to get the information from Dr. Rikoon fairly quickly and it would legitimize the process. She stated she would make the argument that because of consistency, to use the information from Dr. Rikoon. When asked how soon the recommendation needed to be in the budget for it to be available for July 1, Ms. Fast answered that it was past the budget timeframe. When Ms. Lemons was asked if it would be acceptable to wait until they heard from Dr. Rikoon, Ms. Lemons answered that the committee would probably be agreeable to that, one thing they would hope to get from Dr. Rikoon was information about the level of jobs that he was comparing salaries to.

Fred Feldmann, Area 6 Director representing MASWCD, stated they were in support of the employee salary committee.

### **E. APPEALS**

#### **1. Special Area Land Treatment (SALT)**

##### **a. Pettis SWCD – Maintenance Violation Concerning a Poultry Litter Stackshed Being Used for Equipment and Hay Storage**

April Brandt presented an appeal from a Pettis County landowner in regard to use of a state funded stackhouse and the directive to removal of hay and equipment from a stackhouse.

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In October 2005, a letter was sent to the landowner from the Pettis Soil and Water Conservation District board notifying him of the maintenance agreement violation and requesting the removal of hay and equipment from the stackhouse within 30 days, or repayment would be required. In a letter from the landowner dated November 30, 2005, he stated he would like to appeal the board's letter. A letter dated December 6, 2005 was sent from the board to the landowner notifying him of the appeal procedure. The landowner responded with a letter dated December 20, 2005 indicating he wanted to appeal the decision.

Ms. Brandt stated that the purpose of the N312 Waste Management System practice is to store waste in a covered building until it can be spread on fields following a nutrient management plan. Maintenance life on this practice is 10 years.

On October 3, 2005, program office staff along with district personnel, and two board members conducted a status review of the Camp Branch and Basin Fork AgNPS SALT Project. During the status review, that it was discussed that the district had received complaints from the public concerning the appropriate use of stackhouses constructed in Pettis County.

At the end of the status review, staff and district personnel completed a field visit to check three practices; one was the stackhouse in question. Staff found that the stackhouse contained hay and equipment. Ms. Brandt stated that it was evident that quite a bit of manure had been previously stored in the structure, and there was no manure stacked outside of the stackhouse.

Program staff notified the district that this was in violation of the maintenance agreement and needed to be addressed by the board, due to the fact that it was not following the commission's intent of the practice design.

After the status review, the district sent a letter to the landowner informing him that during our review, the stackhouse was found to be out of compliance due to a large stack of hay bales and equipment occupying a large portion of floor space in the structure. The letter informed the landowner to remove the hay and equipment from the stackhouse within 30 days or he would need to repay a prorated amount of cost-share funds.



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In the letter from the landowner dated November 30, 2005, to the board the landowner stated he intended to appeal the board's request that he remove the equipment and hay from the stackhouse, and he explained his use of the structure. According to the landowner, he did a full clean-out of his two pullet houses in May 2005. The litter was stockpiled in the stackhouse until time permitted to spread it, which was about a week. He stated his next flock did not go out until early November, approximately a month after the status review. At that time, the barns were crusted; meaning only the caked litter was removed. That litter was placed in the stackhouse for storage. The landowner stated that flocks go out every 21 weeks, and they would not go out again until April 2006, at which time he would crust again. A full clean-out is only done after every three to four flocks. For this reason, the landowner did not see any reason to leave the stackhouse two thirds empty during that time period. The landowner further stated that the hay in the stackhouse would most likely be fed this winter, and the equipment can be moved out as soon as he needs the room for manure, so he feels that the hay and equipment are in no way interfering with his use of the stackhouse for its intended purpose.

Ms. Brandt stated that the program office staff had contacted NRCS staff at the state office to find out their policy regarding maintaining stackhouses done through the Environmental Quality Incentive Program (EQIP).

According to NRCS staff, EQIP policy states that storing things other than manure in a stackhouse is not considered a violation until it interferes with the management of the manure. Ms. Brandt provided an example that if hay and/or equipment were stored in the stackhouse but did not interfere with placement of manure at clean-out, staff would warn them about appropriate use of the structure, but would not place them in violation. If they were unable to store manure in the stackhouse because the hay and/or equipment were an obstacle, the landowner would then be placed in violation.

Ms. Brandt stated that in the past, the commission has been concerned over public perception of the appropriate use of some of the cost-share practices. For example, in May 2005, the commission approved Wright SWCD's request to pilot cost-share on Feed and Waste Management Storage Structures for beef cows in the Woods Fork AgNPS SALT

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Project. One area of concern when discussing approval of the policy guidelines for this practice, was the use of these types of structures to store things other than waste, such as hay and equipment. During that discussion, Commissioner Kreisler stated if the structure was used for something else other than waste storage, state funds should be repaid. Based on that discussion, staff included in the written policy for that practice, that a signed statement that the feed and waste management structure would be only used for animal feeding and waste storage for the maintenance life of the practice and the statement must accompany the claim into the program office.

According to Ms. Brandt there is currently nothing specific on maintaining stackhouses written into the N312 Waste Management System policy in the AgNPS SALT Handbook, and they do not currently require a signed statement accompany these types of claims into the program office.

When asked if this was a state cost-share project, Ms. Brandt answered that it was paid for with SALT funds.

When asked what the agreement was that he had entered into regarding if he could or could not store anything other than waste in the building, Kurt Ewing, the landowner, answered that the copy he had that he signed did not have anything about not storing anything else in it. Ms. Brandt stated the landowner had a copy of the cost-share application, which did not specifically go into the issue of maintaining each and every practice that the program has. When asked if the landowner had stored any manure outside the stackhouse since he had it, Mr. Ewing answered no. When asked if there was any agreement that stated the landowner could store anything else in it, Ms. Brandt answered there was nothing written into the policy for the N312 waste management system in the handbook. She stated that for the feed and waste structure that was an issue the commission brought up during the policy guidelines. In policy for that pilot practice it does require a signed statement accompany the claim into the program office stating what the intended use of the practice is and it will be done for the maintenance life of the practice. Ms. Brandt stated that it is common that landowners do not sign a separate maintenance statement in addition to the maintenance information included on the cost-share forms for their practices, and it is hard to cover every situation that may come up in the AgNPS SALT Handbook. When asked, Ms. Brandt stated that there was no one representing Pettis county present, and that

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during the review, it was discussed with the district staff and board members present that they had received complaints on the use of other stackhouses constructed in Pettis county and that it was an area of concern, but at the board meeting following the review and in the letter to the landowner with the appeal process they did not take an official position on the appeal, they just stated it was being referred to the commission for a decision.

Kathryn Braden made a motion to uphold the board's decision requiring the landowner to remove hay and non-waste handling equipment from the stackhouse within 30 days, or repay a prorated amount of state cost-share funds. Failing to receive a second the motion died.

John Aylward stated that if the stackhouse was being used for manure storage when there is some, then it fit what it was built for. He also stated that maybe there was not a real need for a stackhouse. Richard Fordyce stated that he had a hard time penalizing the landowner if there is not written policy regarding the matter.

Mr. Fordyce stated that if they rectified the policy from that point forward, he would make a motion to allow the landowner to continue using the stackhouse as he is presently, as long as there is no litter stored outside. Leon Kreisler seconded the motion.

Kathryn Braden stated she felt that since they already have in Wright County specified in the beef area the commission might receive public condemnation for building a shelter to house anything except what it was built for.

Mr. Ewing stated he was using it for its intended purpose it was just that the way the timeframe was set-up it could be setting empty for at least five months at a time between flocks. He also stated that he hires out his spreading services, it depends on the timeframe on when the person would be available to spread for him. Brad McCord stated that with Department of Conservation programs, it was fairly common for the landowner to sign a request for cost-share application and a contract then have a separate document that contained the standards and specifications. He also stated that rarely did a landowner actually sign written regulations per practice.

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A poll vote was taken. John Aylward, Richard Fordyce, Leon Kreisler, and Baughn Merideth voted in favor of the motion and Kathryn Braden and Elizabeth Brown voted against the motion. The motion passed.

When asked how many more of these practices did not have agreements, Ms. Brandt answered that there are stackhouses across the state and to date they have not been required to have a written statement stating that they would be used only for waste storage for the ten year maintenance life of the practice. She stated that after finding this one, program staff did go out and look at about 18 others in a local area to see how they were being used, out of the 18 there were two that had stored solely equipment, the other 16 had litter being stored in them with possibly a piece or two of equipment. She stated she did not know the total number in the state, but none would have a written agreement, because that was not something they had required, but they could look at that if the commission requested it. Mr. Kreisler stated that it was their intent not to store other things in them. Ms. Brandt asked if the commission wished the statement to say that it would only be used for waste storage, not for hay or equipment.

Kathryn Braden made a motion that they follow what they started with their pilot project down in Wright County that there would be a signed statement that the landowner understood that it is built for that purpose and not for another purpose. Leon Kreisler seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

Ms. Braden asked if this was the policy, would Mr. Ewing have to comply with it in the future, Mr. Aylward said no. Ms. Brandt stated that was what she was trying to clarify if the commission wanted it to be for any new applications that are signed for new structures built. Mr. Aylward stated it would be from now on. Mr. Fordyce asked if the stackhouses were sized or is there was just one size. Ms. Brandt stated it was her understanding that typically there would be a comprehensive nutrient management plan that would document the manure produced on the farm and it would be used in the design of the stackhouse. In the case of a small operation, such as two-pullet houses, it would be sized for a full clean out of both buildings. When asked if NRCS standards and specifications indicate how the stackhouses are to be used, Ms. Brandt answered not to her knowledge. Ms. Fast stated that Environmental

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Quality Incentive Program allowed for storage of equipment and hay as long as it does not interfere with the waste management.

### **F. REVIEW/EVALUATION**

#### **1. District Assistance Section**

##### **a. Stone SWCD - Review of Contract Audit**

Jim Boschert presented the findings of the Stone SWCD audit. The audit covered the period of July 1, 2001 to February 28, 2005, and was done through a contract audit process. The audit is considered an agreed upon procedure audit where auditors ask the same questions to each district. This contract also allows the department to contract for additional services if they feel it is warranted. With Stone, additional items were reviewed.

On December 30, 2005, auditors from McBride Lock and Associates, Ed Schneider, Mr. Boschert, three board members, and the district manager attended an exit conference in Stone County. During this meeting the auditor covered each finding with the local board. An exit conference provides the district board a chance to respond to the findings.

The findings of the Stone SWCD audit were lack of control, items missing from the Board of Supervisor minutes, bank reconciliations, payroll checks cashed prior to the end of the pay period, policies pertaining to annual leave, sick leave, and paid holiday, an overdue notice relating to their filing of the June 2003 941s, items not listed on their year end inventory, failure to maintain adequate timesheets, gifts purchased with district funds, free use of district rental equipment, payment of expenses related to spouses of supervisors and employees, payment of performance pay to district employees, failure to report a checking account, board approval of expenditures not reflected in the minutes, failure to report interest, the appearance of nepotism, and cost-share claims and applications not included on the board's list of approved application and claims attached to the minutes.

Mr. Boschert stated that the auditor reviews the finding of the previous audit to see if the findings are still occurring. In the previous audit report of Stone SWCD there were 12 findings and of these, the district has corrected three.

Elmer Curbow, chairman of the Stone County board, stated he has always looked at an audit as management tool. He stated that when he became

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chairman he asked the Stone County office director to request an audit and she told him that there was one coming up. According to Mr. Curbow most of the items were corrected before the audit occurred. Since they had received the draft audit more of them have been corrected. The district only contested a few of the findings. He indicated that with most of them they had already initiated policy changes in accordance with the operations manual and they are now complying with the audit. He indicated that there were a couple items that he did not understand such as the late filing of the district's 941 because if there was a late filing there would be a penalty. In fact all it was was an administrative error where they checked the wrong quarter on the form. He informed the commission that it was corrected and there was no penalty and it was filed on time. Another item was items not included in the year-end inventory listing. He stated they were told they should not report anything under a \$1,000, but they would go back to reporting everything. Another item was the free use of district rental equipment by employees and one of the directors. He stated one of the problems was the lack of experience in using it. He informed the commission that the man that manages the equipment and takes it out to the landowner needs to understand the equipment or he would have a hard time explaining it. So the district put in the minutes that as part of the hiring condition he could have 50 acres of free use as part of his incentive for him being hired to take care of the equipment. As far as the director getting free use, when they bought the rotor wiper, it was the first one they had and they did not have any experience with it so one of their board members had a farm nearby and they asked him if they could bring the equipment out and try it out on a patch. They then had an open house and showed the effectiveness of it. He stated they reported that to the auditors. Another item was the payment of expenses related to spouses. He stated they had repaid the expenses that were allocated for spouses. Mr. Curbow stated they contacted the program office about the funds from the county commission and they were told they could establish a separate account for them and they did. He stated there was nothing concealed about it in fact, and nothing in the office is concealed. He reported that the county commission funds had been consolidated with their regular account. He stated they showed the auditor the account and all the records regarding it. He proceeded to cover the issue of the trip to the training conference where county funds were used to pay for the trip. He stated that other than that all of the other expenses had been paid back. In regard to board approval for expenditures not reflected in the minutes, he stated that was a case or two where an error occurred. Next he reported on the interest on the checking account and the issue of nepotism. When

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asked how long Mr. Curbow had been on the board, he answered two years. When asked who does the supervision of the employees, Mr. Curbow answered the board does. When asked about the checks being cashed prior to the end of the pay period, Mr. Curbow answered that he had a problem with this also. He indicated that it was being addressed by a policy. The explanation for this was that they were salary employees and board looked at it as they were salary and they were not getting more than the two paychecks a month. Ms. Brown stated it was her understanding that the program office was not aware of the second checking account. Mr. Curbow stated that some did because a call was made to the program office and they were told that some of the districts separate that into a separate account. Ms. Braden asked where the funds were put before the separate account and if it was reported to the program office. Mr. Curbow answered the county funds were going into separate checking account and they maintained complete separate records however, they were part of their office record. Ms. Braden asked again where the funds were going before the separate account. Fern Langston answered that it was in their regular local funds. When asked if that was reported to the program office, Ms. Langston answered yes. When asked if they had addressed the issues pertaining to annual leave, sick leave, and paid holidays, Mr. Curbow answered that those were old dates and as of January 1, 2006, their director gave away the hours in question and went back to the two weeks which is in accordance with their policy. Ms. Langston stated that in regard to the timesheet not reflecting ten days of sick leave used she said that she failed to do that. She indicated that she had gone back on all the issues of leave and rectified every timesheet. When asked if appeared that the board of supervisors had not been active in the management of employees, Mr. Curbow answered that it certainly could have been managed a little closer and they are trying to do that now, but most of the mistakes were minor and hopefully no longer occurring. He did not feel that it was a lack of effort as it was a lack of knowledge in some cases. Ms. Langston stated that in regard to the issue of performance pay that when it was brought to their attention the money was paid back and then reissued according to the program office request. Mr. Fordyce asked Mr. Curbow if he was stating that all of the issues had been rectified. Mr. Curbow answered that most of them had been, with the exception of the ones they disagreed on from the audit. When asked what the tenure of their supervisors was, Mr. Curbow answered he had been on two years, Don Chastain was 20 years, Glen Jones was less, and Bill was two years. George Cutbirth, County Commissioner, stated they had not seen a copy of the audit until the commission meeting and was not ready

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to make any statement. He stated that he and the other commissioners needed time to review the audit. He stated they would like an opportunity to review the audit and maybe at the February meeting make a statement. When asked how much the commission gives to the district, Mr. Cutbirth answered that last year it was \$45,000 and this year was \$25,000. When asked if any of Mr. Cutbirth's constituents had said anything to him about the operations of the soil and water board, Mr. Cutbirth answered that there had been some concerns voiced about the operations of the district. Fred Feldmann stated that Stone County was in his district and hoped the information from the audit would be used constructively. He felt that making them come to the meeting was unwarranted and that he did not think that any department at the meeting would come out without any issues from an audit. Sarah Fast stated that since the audit was a public document, the department was expecting press inquiries and Mike Wells had volunteered to take any press calls in regard to any action taken. Mike Wells agreed the department was very concerned about the audit and the public funds and how they are used. He also stated that they felt it was the commission's responsibility to take whatever action needed. He stated that since the department's director was from Stone County he felt it was appropriate for Mr. Wells to be the spokesmen for the department. Tim Duggan asked why only three deficiencies were corrected from the previous audit with 12 deficiencies. Mr. Curbow stated it was the first time they had seen the audit, but they did see a draft. Ms. Langston stated the draft was nothing like the approved audit so they did not have a chance to answer any of the issues at all. She stated they did call and ask for it so they would be more prepared, but they were told they would get it when they walked in. When asked when they got a copy of the draft audit, Ms. Langston answered December 30, 2005. She stated they had a copy of the draft with their corrections they had made. When asked about the \$38 for flowers, Mr. Curbow answered that one of their associate board members had a death in the family. When asked about the \$118 camcorder, Ms. Langston answered that they did not have a \$118 camcorder, their's cost more. When asked if there was a policy regarding items under a \$1,000, Mr. Boschert answered there was a policy that you only have to report items that are over \$1,000, but the auditor saw items such as cameras and camcorder to be items that could easily disappear should also be included on the inventory. Ms. Braden reiterated the fact of the 12 audit findings only three were corrected from an earlier audit. She asked why only three were corrected. Ms. Langston answered that she thought they were because the operations manual states that funds from the commission can be used as the discretion of the board, but to use it wisely. When asked if



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the checks being written ahead of time was corrected, Ms. Langston answered that when they received a memorandum they corrected it in June of 2005. Mr. Cutbirth asked that the commission give the county commission an opportunity to review the audit and if necessary attend the February commission meeting. He indicated they would like to work with the soil and water commission, the district, and the state to insure they have a proficient operation. Ms. Brown asked how the commission felt about the issues. Ms. Braden stated she did not think the commission should be hasty and throw away the work that had been done, especially if it satisfied the county. Ms. Fast stated that Dave Baker could advise the commission either in open or closed session why the extension person was removed from the board. She also informed the commission that when the audit was received, at Mr. Wells's direction, the program did stop future funds to the district except on a month to month reimbursement. Mr. Curbow stated that when he became the chairman of the board, he went to see their local extension agent and told him that he would like for him to return to the board. Ms. Langston stated they have included the extension person on site visits, tour, and field days. Mr. Aylward stated he thought that commission needed more time.

John Aylward made a motion to table the issue until the next commission meeting. Kathryn Braden seconded the motion.

Ms. Braden stated she would like for the presiding commissioner to come back for an update. Mr. Fordyce stated he would like to hear from Dave Baker.

A poll vote was taken. John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, and Baughn Merideth voted in favor of the motion and Elizabeth Brown voted against the motion. The motion passed.

Ms. Brown stated the reason she voted no was she felt the commission needed to make some kind of preventive measure to show that that kind of thing would not be allowed by the commission. Ms. Fast stated that with Mr. Wells's concurrence the funding would be extended for another month. Mr. Wells stated this could be handled internally.

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### **G. ELECTION OF OFFICERS**

Mike Wells opened the floor for nominations for the position of Chair of the commission. John Aylward nominated Elizabeth Brown. Kathryn Braden moved to cease the nominations and elect Mrs. Brown by acclimation.

Mike Wells opened the floor for nominations for the position of Vice-chair of the commission. Leon Kreisler nominated John Aylward. Kathryn Braden moved to cease the nominations. Baughn Merideth seconded the nomination. The motion passed unanimously.

### **H. REVIEW/EVALUATION - Continued**

#### **a. Special Area Land Treatment (SALT)**

##### **1. Osage SWCD – Informational Report on Development of the Nutrient Management Plans for the Loose Creek AgNPS SALT as a Condition of the Commission’s Variance Granted**

Davin Althoff presented an informational report on the development of nutrient management plans for the Osage SWCD Loose Creek AgNPS SALT. A variance was granted at the March 16, 2005, commission meeting.

At the March meeting, the commission granted a variance to 65 nutrient management, waste utilization, and manure transfer claims for FY04. The commission granted a variance to those claims without NRCS certification because the landowners acted in good faith by following technical guidance provided by personnel in the district office. With the granted variance, the commission voted to require the district to develop four-year nutrient management plans with new soil tests by January 1, 2006.

A letter dated December 28, 2005, from the Osage SWCD indicated that 28 of the 47 producers required to have new nutrient management plans had submitted new soil tests. Since that letter, another producer had submitted a new soil test for a total of 29. These producers equal 39 of the 65 nutrient management, waste utilization and manure transfer claims required to have new plans.

After reviewing the new soil tests, it was noted that many of the plans that were developed in the prior year, to include animal waste, revealed that the phosphorus levels were extremely high to include animal waste in the nutrient management plans. The majority of the new plans developed recommended no application of phosphorus. Mr. Althoff pointed out that

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the excessive range had soil test phosphorus units that ranged from 150 lbs/acre to 700 lbs/acre with several testing 300 lbs/acre to 450 lbs/acre. The common range for soil test phosphorus is 40 to 60 lbs. Mr. Althoff also pointed out that the district put forth a strong effort in meeting the request of the commission through repeated correspondence with their producers through letters. The district also offered to cover the expense of the soil test to entice the producers to meet the commission's request.

Cindy DeOrnellis the district manager stated that as a district they made every effort to contact the landowners involved and requested they submit new soil tests so that a new nutrient management plan could be developed. They had approximately 50 percent cooperation.

No further commission action was taken.

### **B. Cape Girardeau SWCD – Hubble Creek AgNPS SALT Management Strategy Update**

- 1. Request From the Missouri Association of Soil and Water Conservation Districts Concerning Hubble Creek AgNPS SALT**
  - 2. Update on the Progress Achieved for the Hubble Creek Project Since September 8**
  - 3. Request to Add Pilot Practice “Comprehensive Cropland Water Quality Management Practice”**
  - 4. Request to Extend the Hubble Creek Project for an Additional Year**
- Sarah Fast presented an update and requests on the progress achieved for the Hubble Creek Project since September 8, 2005.

George Engelbach from Jefferson County was present representing Steve Oetting of the MASWCD. He stated he was requested to attend the Cape County meeting regarding the watershed. He stated he took pictures of the projects and he had copies for the commission to view. Gerald Bryan stated that the MASWCD board was supporting the district with their SALT project.

Ms. Fast indicated that on September 8, 2005, the commission heard the district's appeal to continue the Hubble Creek Project. After discussion the commission voted unanimously for the district to achieve 7.5 percent progress over the next three months following the September 8 commission meeting. According to the June – December 2005 Semi-Annual Progress Report, the district achieved the required percentage.

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The district accomplishments for the reporting period was one acre of critical area seeding, 26.8 acres of field borders, four dry hole structures, three water impoundment structures, 68.5 acres of permanent vegetative cover establishment, four newsletters, one meeting, 30 landowners initial visit, 25 revisited, and one acre of forest plantation. With the above accomplishments the project's progress is 40.8 percent. The district has completed four and half years of the six-year project and has approximately \$450,000 remaining for the project.

Next Ms. Fast stated that at the September commission meeting, the project manager mentioned a new practice that the district wanted to request called "Comprehensive Cropland Water Quality Management Practice (CCWQMP)." Ms. Fast stated the district had a presentation to give the commission on this new practice for their consideration. She reminded the commission that they have made available special practices in certain watersheds with special requests from board. For example, Wright SWCD was currently allowed to do Feed and Waste Storage Management Structures, Dallas and Polk County were allowed to offer a strip grazing practice, and Benton SWCD was allowed to offer the broadcasting of legumes on land that is not eroding above "t". In the plan for the future, it states that the commission will continue to provide customized best management practices to accommodate specific resource needs for watersheds across the state. These practices can be approved if there is water quality benefits that can be derived from the practice.

Gerald Bryan, supervisor of the Cape Girardeau SWCD, thanked the commission for letting them continue their project. He stated they would like to look for ways to ensure the continuation of the project. He provided the commission with an update of some of their goals. He stated the CCWQMP looks at water quality, water table management, and conservation buffers practice to improve the water quality coming of the cropland. According to research, when this is installed the amount of nitrogen going in to the water table is reduced by 25 – 64 percent. When used with buffers the amount of water is decreased and the nutrients by 80 percent. On water control structures weir boxes are used. These keep the water table at a desired height during the irrigation season. Next the commission was provided an example of improvement of nutrient utilization. He stated that on the Hubble Creek what they wanted to do was extend the project from six to seven years to allow more time for this practice. He also stated they needed to revise their goals and practices to meet the needs of the watershed. They would also like an amendment to

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use AgNPS funding for the CCWQMP and revised their budget to reflect changes in management needs and strategies. He informed the commission that they had brought a lot of other funds to address issues in the watershed. The total received was approximately \$500,000 to put three of these structures in. They are looking at a total cost for the watershed to be approximately \$4,000,000.

Next Ms. Fast stated the Hubble Creek Project was a six-year project and scheduled to end in June 2007. Because the district was asking for another practice, they would like another year to fully implement this practice in their watershed. The commission's current policy allows districts to have a project that is between five to seven years in length. The district has approximately \$450,000 available to spend for the remainder of the project. The annual personnel expenses have been below the average at approximately \$15,000 a year. The commission's maximum average personnel allowed for a project is \$35,530 annually.

Mr. Engelbach stated the practice really addresses the water quality issue. Stan Murray the AgNPS SALT manager stated that CCWQMP was locally led and made to address water resources and support clean water. He reminded the commission that they had resources in place that other watersheds might not have. Kathryn Braden asked if they had one and half years left on the six-year. Ms. Fast answered they had one and half years left on the remaining project, but they were asking for additional time, the additional practice, and also to change goals and budget. Leon Kreisler stated that since they meet their goals for the last three months, he felt the project should continue and see what the district does.

Leon Kreisler made a motion to continue the project. John Aylward seconded the motion.

When Ms. Brown asked about continuing the project for the remaining one and half years, Mr. Kreisler stated that was not what he said. He said to continue the project but in three to six months if they do not do anything he did not think the commission should go ahead with the remaining year. When asked if a time limit was needed, Mr. Kreisler answered he did not think so for now, wait and see what they do. Mr. Aylward stated there were certain levels that will have to be covered and if they continue to meet those levels, the project would continue on. He stated the commission was not going to stop the project, just allow it to go on, and then possibly adjust the goals and budget after more information is

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known on the new practice and progress shown. Ms. Fast stated there was a motion and a second on the floor to continue the project.

When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

Ms. Fast stated the second issue was the new practice for the watershed. Mr. Aylward stated he would like more information about the sub surface tiling. Mr. Aylward stated he was questioning it because it is used normally for production. It was answered that a farmer usually does it for production, but by installing it you are able to catch the nitrogen that he would have been applied. The benefit that the district saw was water quality because they are using the nutrients and pesticides applied instead of them running off. When asked about the cost per acre, Jeff Lorberg, the landowner that had the practice, stated \$400 to \$700 per acre depending on if you do surface draining beside the subsurface installation. It was pointed out that with the drainage control boxes there would be a water table management plan. This would provide just enough drainage for a farmer to conduct his operation. After the harvest is removed the stop logs are put back in so the water stays in the field which will reduce the movement of the chemicals off the field. Another way they address it is the use of a buffer. It was stated that all three components are needed. The district would like for the three to be together. Mr. Aylward stated he did not think this could be a statewide practice easily because of the cost. It was stated the practical or functional life of the system to be over 20 years. When asked that when the district looked at this project as an education/demonstration or were they requesting that the new practice fall under cost-share, Mr. Bryan answered they would like to use some cost-share funds that they have. Mr. Fordyce asked if it was to install the practice. Mr. Bryan answered yes. He also stated they had funds left in the project and thought it would be a demonstration. Mr. Fordyce agreed with Mr. Aylward about it not being a statewide practice. Mr. Aylward asked if they meant to use SALT funds instead of cost-share. Mr. Bryan answered that Mr. Aylward was correct. They would use the funds that were already committed to the Hubble Creek Project. It was stated that if this could be used as a demonstration project as a water quality issue, it would probably get cheaper because the initial start up is always more expensive. When asked how many acres were being discussed, the answer was approximately 2,000 in the watershed that could use the practice. When asked how they would be able to prove water quality, the answered

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was that at that point they did not have anything planned to check it. They are relying on data from other sources where they are doing it. When asked what Leslie Michael thought, she stated she thought it was a good thing. She also stated that when she thought about some of the money put into some of the structures and some of the problems with them, this was a good step in the right direction. She stated that Roger Hansen was in support of it.

Kathryn Braden made a motion to direct staff to work with the district, NRCS, and a commissioner to develop policies for this practice and bring them back once the commissioner on the committee is comfortable with the policies developed. Baughn Merideth seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

Ms. Fast clarified that given the commission's first vote, the issue of a one-year extension of the project was off the table. Ms. Brown requested a progress report at a later date. Ms. Fast asked if the commission would like to assign a commissioner to the practice review. It was a general consensus to have Baughn Merideth on the practice review.

Mr. Bryan asked that since this was added, would the district would be allowed to revise some of the goals. Ms. Fast stated that the commission had not formally accepted the practice. She stated the commission wanted staff and commissioner Merideth to work with the district to get more information. Mr. Aylward stated they were happy that the district achieved the 7.6 percent, and they would go along with the district as long as they made progress, but they were not ready to give the district six or seven years yet.

### **I. FOLLOW-UP**

#### **1. Knox SWCD – Landowner Maintenance Violation on a Water Impoundment Reservoir**

Ron Redden presented a follow-up from the commission's November meeting. In November the commission heard a presentation regarding the violation of the maintenance agreement on a structure completed with cost-share assistance in Knox SWCD.

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The commission's decision was to provide the landowner 30 days to remove an extension made to the outlet pipe and remove two 24 inch tubes that had been placed in the emergency spillway or return the cost-share received at a prorated amount. On December 6, 2005, a certified letter was sent to the landowner informing him of the decision.

On December 19, 2005, Mr. Redden received a call from Mr. Floyd Williams voicing his disappointment in the decision. Mr. Redden pointed out that after the practice was completed, Knox County found out that there were three gentlemen who owned the property. Mr. Williams stated that NRCS should have to pay to bring the backslope to a 3:1 slope if they were expected to remove the pipe extension and spillway tube. Mr. Redden reminded the commission that they had decided not to require the landowner to build the backslope to the 3:1 if the landowner would remove the pipe extension and the spillway tubes.

On January 6, 2006, Mr. Redden received a call from the district technician who said that he had been to the site and while some of the pipe extension had been cut off, it still did not meet NRCS standards, and the tubes were still in the emergency spillway.

Mr. Redden stated that on January 9, 2006, a letter was sent to Mr. Hemmel advising him that the commission would be updated on the status of the issue. The commission was reminded that in November the commission indicated that the matter would be referred to the Missouri AGO if neither condition was met in 30 days.

Floyd Williams, one of the landowners, stated he was a partner with Charles Hemmel. He stated they had an area that they tried to move machinery across, it was a wet area, and they could not do it. They decided to build a pond and have a dam that they could drive across and they knew there was cost-share money for assistance. They contacted Knox SWCD, talked to Clay See, and explained their situation and they made application for the money and a plan they could use. He said they informed the district their main objective was to have a dam they could drive across. They told Mr. See and Steve Miller, the contractor, that was what they wanted. After the pond was constructed they met with Mr. See, and Mr. Miller. The pond and dam was done, but they could not drive across it. The emergency spillway was too steep. They could not get across it at all. At that point Mr. Hemmel expressed their dissatisfaction with it, but the dam was approved. They were told to seed, fertilize, and lime it because it was in the fall of the year. He stated he voiced dissatisfaction to a John MacIntosh of the Missouri Department of Conservation. Mr. MacIntosh stated there was no way to



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cross the dam. Mr. Williams asked him if there was anything he could do to help them. He indicated they never heard anything. At this point Mr. Williams stated they were dissatisfied with the soil commission. He informed the commission that they asked for assistance from Stegeman Construction in Jefferson City. Stegeman Construction stated a 36-inch whistle would handle a four-inch rain in 24-hour period. He stated they knew that it was wrong but they put in two 24-inch pipes in it. But at the same time there was so much height in the dam. They saw that they could raise the water depth and they did that by adjusting the six-inch pipe in the dam. They received a letter that they were in violation. They were to restore it back to normal or refund the cost-share funds. They met with Mr. See and an assistant out there. They did some surveying and reported the dam was a foot too high and the backslope was a 2.6 rather than a 3.0. They were not aware of this until that time and they are dissatisfied with what they received. He stated he never refused to take the pipe out or restore the six-inch pipe. What he did say was that if they were required to put it back to its original design, then the commission or the district should make the dam right. They received another letter stating to put it back to its original design or it would be referred to the Attorney General's Office.

John Aylward stated he felt that a few hours of dozer work and four to five loads of large rock in the bottom of the spillway would have given them a good road and it would have kept the dam the way it was designed. He stated that as far as the backslope, someone was trying to be good to them and the commission chose not to require them to correct the backslope. He stated it should never been passed. He also said that the contractor was at fault, because he should have been able to tell a 2.6 from a 3. Mr. Williams stated he wished someone would have done that because that would have been cheaper for them. Mr. Aylward stated the commission was letting them go on the backslope. The commission was not pushing the backslope issue but they had to fix the spillway. Kathryn Braden stated the soil and water district gave the landowners certain specifications to build the dam and they hired someone to do that. Mr. Williams said yes. Ms. Braden stated that rather than make them have it redone, the commission should let it go, but requested they fix the spillway like it should have been. She stated it would have been the person they hired to do the pond that did not do what the specifications were. Mr. Williams stated he was very dissatisfied with the district. Richard Fordyce stated that when it was approved it met specifications except for the backslope. He stated the spillway and the inlet pipe were accurate and built to specifications. It was after the fact that it was altered by the landowners. Mr. Williams reiterated that they wanted to be able to cross the spillway. Leslie Michael asked if there was discussion when it was completed about being able to

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drive across it. Mr. Williams answered they expressed they were not satisfied. Ms. Brown thanked him for coming.

No action was taken and the decision stood.

### **2. Request for Research Funding to Develop Additional Solutions for Streambank Erosion**

Bill Wilson stated this item was introduced in August of 2005 and the commission approved a motion to commit research funds to address solutions for streambank erosion. He stated that there was a committee developed with Dr. Bill Kurtz facilitating it.

Dr. Kurtz stated the concept proposal was under the leadership of Dr. Ranjith Udawatta and Dr. Steve Anderson. Dr. Kurtz stated the objectives of their proposal was to characterize and quantify historical streambank changes for selected sites in the Ozarks, establish and compare effectiveness of vegetative and non-vegetative streambank stabilization treatments, and develop guidelines to assist landowners in using vegetative and non-vegetative methods of streambank stabilization for Ozark streams. The proposal is for a research study to examine ways to stabilize streambanks using low cost techniques and locally available materials. The principal reasons for stabilization are to stabilize eroding banks and reduce loss of land, reduce downstream sedimentation, protect existing infrastructure, maintain capacity of the stream channel, improve water quality, buffers, fish and wildlife habitat, and recreation activities, and control unwanted stream meanders, and minimize operation and maintenance costs. A couple of ways to achieve streambank stability are increase slope stability, decrease stream power, or a combination. Dr. Kurtz proceeded to cover the stages of streambank failure. He stated that the angle of the slope dictates the kind of treatment that is appropriate for a streambank situation. The treatment approach was bioengineering, re-vegetation, revetment, or some type of engineering, combining all of these to achieve bank slope stability as well as in-stream structures to reduce stream power. The data collection would consist of precipitation, runoff, erosion, stream geometry, water quality, and vegetation data.

When asked what the next step was, Dr. Kurtz stated they would move ahead if there were an interest in funding a part or full proposal. When asked what the funding level request was, Dr. Kurtz answered they did not have one, what they had was just a concept proposal and they did not put together a budget. When asked if they had specific sites, Dr. Kurtz answered no. When asked why the Ozarks was used in the data, Sarah Fast stated that might have been due to fact

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that the Corps of Engineers (Corps) was involved and that was the area they were interested in. She also stated that originally the idea was to use the research money to match the Corps money, but at this point she did not know if the Corps money would develop. When asked if the commission had committed funds, Ms. Fast answered the commission had committed research money to match and there was no amount. When asked if Missouri Department of Conservation (MDC) had funds to match, Brad McCord stated the department was interested in new techniques. Leon Kreisler asked what the point of the study would reveal, Dr. Kurtz answered the proposal would be for a project that would provide a science based background for any recommendation they would make. When asked if this was the next step from the Ron Hardecke presentation, Ms. Fast answered that this was basically follow up to that. When asked what the commission needed to do, Ms. Fast answered that this was just to let them know what the university was willing to pursue with or without the Corps. When asked if there was a timeline when the commission might know something from the Corps, Ms. Fast answered they did not have that. Ms. Fast asked if the commission wanted to wait and see if the Corps could be at the February meeting. Dr. Kurtz stated that in order to develop a budget, they would need identification of treatments and site locations. Dr. Kurtz was asked to come up with some figures on what they thought they would need to fund their project. Steve Anderson stated they did not have anything finalized, but looking at three sites, three of four years the cost was approximately \$500,000. When asked the size of the site, Dr. Anderson answered several hundred feet per treatment. Paul Calvert stated that the director of the Missouri Department of Conservation made the decision not to contribute funds to this practice. They are offering his and his staff's expertise. The reason they felt strongly against the projects that Mr. Hardecke proposed was that hydrologically they did not feel they would work. Mr. Calvert stated that they and the Corps have a program called the Stream Stewardship Trust Fund where the cost to landowners is minimal if they want to address their stream problems.

### **J. REVIEW/EVALUATION - Continued**

#### **1. Land Assistance Section**

##### **a. Cost-Share**

##### **1. Monthly Cost-share Usage and Fund Status Report**

Noland Farmer reported that districts have been allocated approximately \$24,000,000 for use in the present fiscal year. As of December 31, 2005 the districts had obligated 67 percent of those funds and had claimed 28 percent of the funds. At that time last year the districts had obligated 65 percent of the \$24,000,000 allocated and had claimed 25 percent of that amount.

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It was projected that \$20,000,000 of the allocated funds would be claimed during fiscal year 2006. The projection was based on amounts claimed in previous years in relation to the total allocations made available to the districts.

As of December 31<sup>st</sup>, \$6,100,000 in claims had been processed, which was \$400,000 short of what was projected.

As of January 17<sup>th</sup>, the program office had received \$7,000,000 in claims, which is more than the \$6,100,000 claimed for the same time last year.

### **K. REQUESTS - Continued**

#### **1. District Assistance Section**

##### **a. Supervisor Appointments**

##### **1. Buchanan**

Chris Wieberg presented a request from the Buchanan Soil and Water Conservation District to appoint William Johnson to fill the unexpired term of Keith Rumph.

Richard Fordyce made a motion to approve the board's request. Kathryn Braden seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

##### **2. St. Charles**

Chris Wieberg presented a request from the St. Charles Soil and Water Conservation District to appoint Mark Scott to fill the unexpired term of Dennis Ryan.

Kathryn Braden made a motion to approve the board's request. Baughn Merideth seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

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### **2. Land Assistance Section**

#### **a. Cost-Share**

##### **1. Cape Girardeau SWCD – Return of Additional Cost-Share Funds**

Ron Redden presented a request from Cape Girardeau requesting that they be allowed to return the additional cost-share funds that they requested earlier this fiscal year without it being counted against their 80 percent needed to be claimed for additional funds next year.

Commission policy has required a district to claim at least 80 percent of their additional funds along with the district's initial allocation from the previous fiscal year in order to be considered for additional funds during the current fiscal year.

In a letter dated August 17, 2005, the district accepted the original offer of \$68,100 in additional funds and requested \$25,000 more. In a letter dated November 21, 2005, the district stated they wished to return the additional \$16,000. It was noted that due to the requests from the districts, the commission limited the second round of additional funds to \$16,000 per district.

In a letter dated August 9, 2005, 60 districts were offered \$68,100 and they were asked if they would like additional funds and if so, how much. The letter reminded the districts that it might not be in their best interest to accept more than what they thought they could claim. The letter indicated that in order to be considered for additional funds in FY07, they would be expected to claim at least 80 percent of their total FY06 allocation including the additional funds.

Mr. Redden stated that in the past, he had received several calls from districts asking if they could return funds. He stated his response was that if they return the funds, they would still be counted as part of their district's total allocation and they would be expected to claim 80 percent in order to meet the commission's requirement for additional funds for the next year. He stated that in the past there was one instance in which a district was not able to do so and they were not considered for additional funds the next year.

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Mr. Redden stated that he informed the district that they could return the funds, but they would still be expected to claim 80 percent of the total. That was why the board decided to present their request to the commission.

It was pointed out that due to the late date, it would be difficult to reallocate funds to the districts in a fair manner given the amount of time some boards need to get concurrence from their members. Another point made was that if all the districts that could not claim their funds were allowed to return them and then reallocate them back to districts that would claim them, the commission could run the risk of having several more million dollars in claims than the current appropriation could pay.

When asked if Mr. Redden knew of any reason the commission should veer from their current policy, Mr. Redden answered no.

No action was taken and current policy remained in force.

### **b. Special Area Land Treatment (SALT)**

#### **1. Morgan SWCD – Request to Process a Waste Utilization Claim Without an Application for the Current year.**

Kevin Scherr presented a request from Morgan SWCD asking if the commission wished to allow a cooperator to participate in a Waste Utilization Practice (N633) when no application was made for the current year.

The commission's current policy states that the incentive payments are authorized following one complete year of an established nutrient management plan. This period begins with the board approval of the application and continues through a full one-year maintenance life, pending the plan is complete. An operator cannot have an active application for both Nutrient Management (N590) and Waste Utilization (N633) on the same fields in the same fiscal year. However, operators are eligible to utilize either of the two practices at the same time on separate fields. Operators are limited to three years participation for both of the practices. For example, an operator is not eligible to utilize the Nutrient Management practice for three years and then apply for the Waste Utilization practice for an additional three years. Furthermore, the

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operator is bound to the incentive rate limits for each practice not to exceed \$3,750 per year using a combination of the Nutrient Management and Waste Utilization practices.

In 2004 the operator received approximately \$1,374.30 for 223 acres of nutrient management and waste utilization. In November of 2004, the operator signed up for a second year of participation on approximately 157.4 acres, however a 37.9-acre field was not included. That field had a nutrient management plan developed in Fiscal Year (FY) 2004 and met the eligibility requirements for FY05. The operator followed his nutrient management plan for all the fields thinking he would receive the incentive payment for his second year.

When the landowner returned to the office to sign his cost-share claims for the FY05, it was discovered that the 37.9-acre field did not have an application. Due to the limit of three years participation per operator, this operator would not be able to participate for three years on this field in question.

Richard Fordyce made a motion to approve the board's request and allow the landowner to participate in the N633 Waste Utilization practice on the 37.9-acre field for 2005. Kathryn Braden seconded the motion. When asked by the chair, John Aylward, Kathryn Braden, Richard Fordyce, Leon Kreisler, Baughn Merideth, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

Mr. Scherr asked the commission if they wished to give staff authority to approve similar requests in the future when the operator participated for his second or third year in the same field and the application was neglected. Kathryn Braden stated that anytime that the error is the staffs, she felt the commission needed to be on the side of the cooperator.

It was the consensus of the commission to give the staff authority to approve similar requests.

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### **L. REPORTS**

#### **1. MASWCD**

Peggy Lemons stated the education seminar dates were set for March 14 and 15. She extended an invitation to the commissioners to attend the MASWCD meeting that night and go to the Capitol the next day.

#### **2. Staff**

Sarah Fast stated there was a new list of dates for the commission meetings and Elizabeth Brown would not be able to attend the March 14 meeting. She asked the commission if they would like to proceed with that meeting, John Aylward stated he would be at the March meeting.

Bill Wilson stated that Dave Baker asked him to pass on his apology for not attending the commission meeting. He was at a meeting in Milwaukee.

Elizabeth Brown asked if anyone had gone to the meeting also. Ms. Fast answered that Scott Totten went.

Richard Fordyce stated that in the SALT proposals, if accepted, they can make changes to it during the life of the SALT. He asked if there was anyway that they could direct the districts to be more accurate on their proposals. He stated that for example, the issue that the commission heard at the current meeting, if it was such a good idea why wasn't it in the original proposal. He reiterated that the commission sees these requests every meeting. Something needs to be changed. Kathryn Braden asked if the commission had finalized any SALTs. Mr. Fordyce stated that there were SALTs that obtain their goals and they do what they said they would do, but there seems to be a lot that change their SALT during the process. Kathryn Braden stated that in the beginning no one knew what to expect. Mr. Fordyce stated he understood that geography changes and economics change, but he wondered if the districts had a grasp on what they are going to be able to do. Ken Struempf stated that in the beginning staff did not know what to require on the application. He stated that now with some experience, program staff can contact the district and ask them more details. He stated in the first three calls they did not ask for the acres that needed treatment and the acres they would treat, which is a big difference. Mr. Struempf stated the review committee evaluates the proposals and makes comments on them and they are presented to the commission for review.

### **M. DATE OF NEXT MEETINGS**

The date of the next commission meeting was set for Wednesday, February 15, 2006 at the DNR Conference Center in Jefferson City Missouri.



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**N. ADJOURNMENT**

John Aylward moved the meeting be adjourned. Kathryn Braden seconded the motion. Motion approved by consensus at 3:20 pm.

Respectfully submitted,

Sarah E. Fast, Director  
Soil and Water Conservation Program

Approved by:

Elizabeth Brown, Chairman  
Missouri Soil & Water Districts Commission

/tm